

BOARD OF ADMINISTRATION BENEFITS AND PROGRAM ADMINISTRATION COMMITTEE MEETING MINUTES

April 12, 2011

A meeting of the Benefits and Program Administration Committee (BPAC) was held on Tuesday, April 12, 2011, in the Lincoln Plaza North Auditorium, 400 Q Street, Sacramento, California.

The meeting was called to order at 8:30 a.m. and the roll was called. The following members were present:

George Diehr, Chair
Rob Feckner, Vice Chair
Terry McGuire for John Chiang
Richard Costigan
Henry Jones
Priya Mathur
Louis Moret
Tony Oliveira
Howard Schwartz for Ronald Yank

Other Board Member(s):

Grant Boyken for Bill Lockyer

JJ Jelincic

John Chiang arrived at 8:57 a.m. and replaced Terry McGuire

AGENDA ITEM 3a – AB 344 (FURUTANI) FINAL COMPENSATION AND POST RETIREMENT EMPLOYMENT

Danny Brown, Chief, Governmental Affairs Office, presented AB 344 (Furutani) Final Compensation and Post Retirement Employment as an action item.

On **MOTION** by Mr. Feckner, **SECONDED** by Ms. Mathur and **CARRIED**, the Committee recommended the Board support AB 344.

AGENDA ITEM 3b – SB 27 (SIMITIAN) PENSION SPIKING AND RETURN TO WORK LIMITS

Mr. Brown presented SB 27 (Simitian) Pension Spiking and Return to Work Limits as an action item.

On **MOTION** by Mr. Jones, **SECONDED** by Ms. Mathur and **CARRIED**, the Committee recommended the Board support, with suggested amendments to conform SB 27 with current policies and procedures.

AGENDA ITEM 3c – SB 503 (VARGAS) JUDGES' RETIREMENT SYSTEM II: CREDIT FOR SUBORDINATE JUDICIAL OFFICER SERVICE

Mr. Brown presented SB 503 (Vargas) Judges' Retirement System II: Credit for Subordinate Judicial Officer Service as an action item.

On **MOTION** by Ms. Mathur, **SECONDED** by Mr. Jones and **CARRIED**, the Committee recommended the Board take a neutral position on SB 503.

AGENDA ITEM 3d – FEDERAL LEGISLATIVE AND REGULATORY POLICY GUIDELINES FOR RETIREMENT SECURITY

On **MOTION** by Ms. Mathur, **SECONDED** by Mr. Moret and **CARRIED**, the Committee recommended the Board adopt the federal legislative and regulatory policy guidelines for retirement security that reflects the amendment requested by the committee, and direct staff to monitor federal proposals based on these priorities, and seek opportunities to advance the identified goals.

AGENDA ITEM 4a – BOARD MEMBER EMPLOYER REIMBURSEMENTS

Russell Fong, Chief Financial Officer presented the Board Member Reimbursements as an action item.

On **MOTION** by Mr. Feckner, **SECONDED** by Ms. Mathur and **CARRIED**, the Committee recommended the Board approve the elected Board member percentages of time to be spent on Board-related duties for Fiscal Year 2011-12 as follows:

George Diehr: 98.84% JJ Jelincic: 100% Priya Mathur: 60%

On **MOTION** by Ms. Mathur, **SECONDED** by Mr. Jones and **CARRIED**, the Committee recommended the Board approve the elected Board member percentages of time to be spent on Board-related duties for Fiscal Year 2011-12 as follows:

Rob Feckner: 80%

AGENDA ITEM 4b - CONTRACT REFORM PROJECT

Kim Malm, Chief, Operations Support Services Division, presented the Contract Reform Project as an action item.

On **MOTION** by Mr. Feckner, **SECONDED** by Ms. Mathur and **CARRIED**, the Committee recommended the Board standardize the language in Resolution Numbers 92-04B-1 and 92-04B-2 so all contracts have a permitted maximum duration of five years.

AGENDA ITEM 5a - EXTERNAL REVIEW OF EXPERIENCE STUDY

Alan Milligan, Chief Actuary and Danny White, Senior Consultant, Gabriel, Roeder, Smith and Company, presented the External Review of Experience Study as an information item.

AGENDA ITEM 5b - JUDGES' RETIREMENT SYSTEM ACTUARIAL VALUATION

On **MOTION** by Mr. Jones, **SECONDED** by Ms. Mathur and **CARRIED**, the Committee recommended the Board approve the June 30, 2010 Judges' Retirement System Actuarial Valuation Report along with changes to methods and assumptions outlined in the report and continue to encourage the California Legislature and Governor to adopt an employer contribution schedule that includes advanced funding of the Judges' Retirement System.

AGENDA ITEM 5C - CHIEF ACTUARY REPORT

Mr. Milligan had nothing to report.

AGENDA ITEM 6a – ADOPTION OF REGULATION: PUBLICLY AVAILABLE PAY SCHEDULE AND WRITTEN LABOR POLICY OR AGREEMENT

Marion Montez, Assistant Division Chief, Customer Account Services Division, presented the Adoption of Regulation: Publicly Available Pay Schedule and Written Labor Policy or Agreement as an action item.

On **MOTION** by Mr. Feckner, **SECONDED** by Ms. Mathur and **CARRIED**, the Committee recommended the Board adopt the proposed regulation and regulatory amendments to clarify and make specific the requirements for publicly available pay schedule and labor policy or agreement.

AGENDA ITEM 6b - DEPUTY EXECUTIVE OFFICER REPORT

Donna Lum, Deputy Executive Officer, Customer Services and Support, presented the DEO Matrix and Annual Agenda Item Calendar as an information item.

AGENDA ITEM 6c – DRAFT AGENDA FOR THE MAY 17, 2011, BENEFITS AND PROGRAM ADMINISTRATION COMMITTEE MEETING

No additional items were added to the agenda.	
PUBLIC COMMENT	
Neil Johnson, SEIU 1000, provided comments on agenda i Committee take a support position.	item 3b, requesting the
The next meeting of the Benefits and Program Administration Committee is scheduled for May 17, 2011, in Sacramento, California.	
DONNA RAMEL LUM	Date

Deputy Executive Officer

Customer Services and Support